

# Concierge Cataract

BY TAL RAVIV, MD

A recent study in *Ophthalmology*<sup>1</sup> has tabulated what we already know: Cataract surgery is a great deal for society by both financial and quality-of-life measures—and the deal has gotten better (well, cheaper, from society's point of view). Using inflation-adjusted dollars, the direct medical cost for cataract surgery (surgeon plus facility) has decreased 34% from 2000 to 2012. From 1985 to the present, it has fallen 85%. With regard to the inflation-adjusted physician fee, it is an astounding 10.1% of what it was in 1985. Richard Lindstrom, MD, has been telling us about this “cataracts-per-Cadillac” ratio for years,<sup>2</sup> and looming Medicare budget cuts and/or freezes threaten to skew this figure further.

The third-party payer budget squeeze has affected all physicians, especially primary care practitioners. As a result, during the past decade, we have seen a secondary “concierge medicine” market emerge. By charging patients a monthly retainer, ranging from \$20 to \$10,000 or more, on top of insurance coverage, these concierge practices offer extra levels of service to their patients—be it same-day appointments, e-mail consultations, 24-hour direct doctor cellphone access, longer office visits, house calls, etc. The crux and success of this model lie in charging patients directly (on top of their insurance coverage) but only for special services not covered by insurance. Sound familiar to cataract surgeons?

In ophthalmology, we have been fortunate to have our own version of a patient-pay marketplace around insurance-covered cataract surgery. Premium cataract surgery is really a “concierge cataract” secondary market that has become more mainstream with the advent of premium IOLs and the femtosecond laser. I foresee a dramatic broadening of this concierge cataract market. This will allow successful practices to differentiate themselves in the marketplace, to provide more premium services, and to favorably increase their net revenue per cataract.

Looking at my colleagues' practices, I find that the majority of concierge cataract benefits fall into three broad categories: (1) diagnostic screening, (2) refractive outcome, and (3) enhanced VIP benefits.

The refractive outcome category is the most common and involves the use of premium IOLs, arcuate incisions (manual and femtosecond laser), intraoperative aber-

## Weigh in on this topic now!



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Do you offer refractive outcome concierge cataract services?

- Yes
- No, but I plan to in the near future
- No, and I do not plan on it

Do you offer a diagnostic package service for cataract patients?

- Yes
- No, but I plan to in the near future
- No, and I do not plan on it

Do you offer enhanced VIP benefits for cataract surgery?

- Yes
- No, but I plan to in the near future
- No, and I do not plan on it

rometry, and femtosecond optical coherence tomography imaging to achieve a specific refractive target. Within this envelope also exist excimer laser discounts or credits for touchups and monovision. Most practices have two pricing tiers: a higher-priced distance/near vision package and a middle-ground astigmatism/distance vision package. More and more practices, however, are offering even lower-priced options for their monofocal patients such as diagnostic screenings.

With diagnostic packages, the surgeon charges a modest fee for a panel of screening tests not covered by insurance for a routine cataract workup. The most common three include corneal topography (or tomography/wavefront), macular optical coherence tomography imaging, and endothelial cell counts. Undoubtedly, these tests are beneficial in planning and counseling for every cataract surgery patient, not just the premium IOL

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## Online Survey Results June 2014

### How do you measure corneal astigmatism to determine a toric IOL calculation?

I use a toric IOL calculator.	36.36%
I use the Baylor toric IOL nomogram.	0%
I use intraoperative aberrometry.	0%
I perform at least two of the methods mentioned above and compare the information.	63.64%

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patients. Moreover, many screening tests can be added here such as tear film interferometry.

Finally, there is a growing category of enhanced VIP service benefits that surgeons are including in their top-tier refractive packages to further incentivize patient upgrades. For example, there is an area practice that gives its top-tier cataract package patients a shiny plastic concierge card that affords them special privileges such as direct contact anytime with a personal refrac-

tive liaison and a bypass-the-waiting-room pass during all postoperative appointments. Yes, this sounds like a premium rental car benefit, but it also sounds like a winning patient-engagement strategy that will grow the practice's revenue and referral volume.

In my practice, I offer many (but not all) of these concierge offerings and am looking to expand. A concierge cataract practice allows surgeons to offer market-priced services, which are transparent to the patient and do not further burden the health care system. ■

*Disclaimer: not all models described herein have been vetted by regulatory or legal experts. Practices should seek an expert consultation before instituting any such fee structures to ensure that they are compliant.*

*Tal Raviv, MD, is a clinical associate professor of ophthalmology at the New York Eye and Ear Infirmary of Mount Sinai and the founder and medical director of the Eye Center of New York. Dr. Raviv may be reached at (212) 889-3550; talravivmd@eyecenterofny.com.*



1. Brown GC, Brown MM, Menezes A, et al. Cataract surgery cost utility revisited in 2012: a new economic paradigm. *Ophthalmology*. 2013;120(12):2367-2376.
2. Lindstrom R. Veteran perspective: learning to thrive in an inclement healthcare climate. Published February 2008. *Eyeworld*. [www.eyeworld.org/article.php?sid=4258](http://www.eyeworld.org/article.php?sid=4258). Accessed June 24, 2014.